



GET CONNECTED TO HUD-FUNDED CONTRACTS!

Section 3 of the Housing and Urban Development Act
(Section 3)

Section 3 ensures that HUD-funded jobs, training, and contracts are provided to low- and very low-income residents of the community where the funds are spent, and to businesses that are owned by, or employ, such persons.

Visit www.hud.gov/section3 to learn more about Section 3

Flip to the other side to test your Section 3 knowledge ➡

Quiz for Section 3 Businesses and Other Contractors

How Many of These True/False Questions Can You Answer Correctly?



1

A Section 3 business is the same as Minority/Women Owned Businesses (M/WBEs)?

T/F

2

Section 3 businesses are guaranteed HUD-funded contracts?

T/F

3

Section 3 businesses do not have to be qualified for the contracts that they are seeking?

T/F

4

Public Housing Agencies, local units of government, contractors, and others are responsible for verifying the eligibility of Section 3 businesses?

T/F

5

Section 3 businesses are either owned by, or substantially employ, Section 3 residents?

T/F

6

If a construction project is funded with both HUD funding and non-HUD funding, Section 3 only applies to the HUD-share of the project?

T/F

7

Agencies are required to award 50% of all HUD-funded construction contracts to Section 3 businesses each year?

T/F

8

Section 3 requires recipient agencies to create contracting opportunities beyond those that are normally needed?

T/F

9

Section 3 businesses can only receive preference for contracts in their immediate area?

T/F

10

A Section 3 business must be a properly licensed business to be considered for a contract?

T/F

11

Section 3 businesses that receive HUD-funded contracts do not have to comply with Section 3 requirements?

T/F

12

Section 3 residents and businesses can file complaints with HUD if they believe that they have been denied economic opportunities?

T/F

13

There are no serious consequences for agencies that do not comply with Section 3 requirements?

T/F

Answer Key:
1. False; 2. False; 3. False; 4. True; 5. True; 6. False; 7. False; 8. False; 9. False; 10. True; 11. False; 12. True; 13. False

To self-certify a firm as a Section 3 business or search the database of Section 3 businesses in your community, please visit: www.hud.gov/sec3biz